

Nashville Gas Company

A DIVISION OF PIEDMONT NATURAL GAS COMPANY
865 MAINSTREAM DRIVE, NASHVILLE, TENNESSEE 37228, TELEPHONE (615) 734-0734

RECEIVED

WAYNE MARSH
VICE PRESIDENT-CUSTOMER SERVICE

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TN REGULATORY AUTHORITY
DOCKET ROOM

August 22, 2002

Ms. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

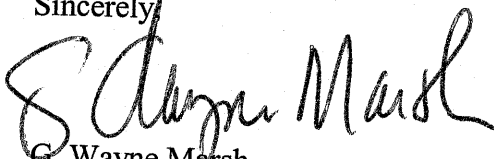
02-00887

Dear Chairman Kyle:

As you know, Nashville Gas' busy Fall Light-Up season is just around the corner. Many of our customers, who have been disconnected, typically wait until the first cold snap to call us and request to be reconnected to the system. Because of the number of these requests, a backlog develops and often delays handling the requests. In an attempt to alleviate this problem, we are filing 14 copies of the attached Petition and revision to Nashville Gas' currently approved Service Regulations to allow us to offer a half-price reconnect fee of \$25 during the period between August 30 and September 27 of this year. Also included with this filing are sample letters that will be mailed to those customers who are currently off the system. This policy was implemented last year in the Carolinas and was very successful.

As time is of the essence, we are requesting expedited approval of this matter in order to allow sufficient time for printing and mailing. We appreciate your quick response on this matter.

Sincerely,



G. Wayne Marsh
Vice President-Customer Service

Enclosures

c: Russell Perkins, Deputy Attorney General
Consumer Advocate and Protection Division

STATE OF TENNESSEE

TENNESSEE REGULATORY AUTHORITY

In the matter of:

Docket No. _____

Nashville Gas Company
(a Piedmont Natural Gas company)

An application for the consent to and)
approval of an amendment to Petitioner's)
existing Service Regulations to allow the)
option of reducing the approved customer)
reconnect fee for existing inactive customers)
from \$50.00 to \$25.00 for the period)
August 30 through September 27, 2002,)
as an incentive for customers to have)
natural gas service reinstated before)
cold weather creates a backlog of)
service calls.)

Petition

To the Tennessee Regulatory Authority ("TRA" or "Authority")

Nashville Gas Company, a division of Piedmont Natural Gas Company, Inc.,
("Petitioner") respectfully states to the Authority as follows:

1. Petitioner is a North Carolina company authorized to do business in Tennessee. It is engaged among other things, in tendering natural gas service to approximately 145,000 customers in portions of Tennessee as a public utility subject to the jurisdiction of the Authority.
2. Petitioner's Tennessee office is located in Nashville, Tennessee. Communications with respect to this matter should be sent to:

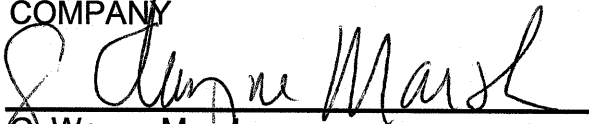
G. Wayne Marsh
Vice President – Customer Service
Nashville Gas Company
665 Mainstream Drive
Nashville, TN 37228

3. The basis for this request is to give the petitioner the option to allow existing customers to have natural gas service reconnected before heavy call volumes occur in the fall. Also, existing customers who choose this option will have their service reinstated without the delays that normally occur when the weather turns colder.
4. An amended Section 6, Rules and Regulations Governing Supply and Consumption of Gas, of the Company's currently approved Service Regulations is attached to this Petition. Specifically, item 14 of Section 6 sets forth the details of the Petitioner's request.
5. Sample letters that will be mailed to those customers who are currently off the system for various reasons are also included with this filing.

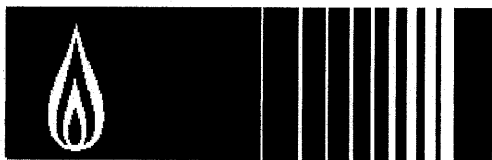
Wherefore, based on the foregoing, Petitioner requests the Authority to approve, on an expedited basis, the foregoing application for an amendment to Petitioner's Service Regulations that will allow for the reduction of the reconnect fee for existing inactive customers from \$50.00 to \$25.00 for the period August 30 through September 27, 2002, as an incentive for customers to have natural gas service reinstated before cold weather creates a backlog of customer calls.

Respectfully submitted

NASHVILLE GAS COMPANY, a division
of PIEDMONT NATURAL GAS
COMPANY



G. Wayne Marsh
Vice President - Customer Service
Nashville Gas Company, a division of
Piedmont Natural Gas Company
665 Mainstream Drive
Nashville, TN 37228



Nashville Gas Company Service Regulations

Section 6 - Rules and Regulations Governing Supply & Consumption of Gas

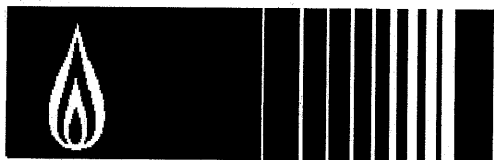
The consumer agrees to the following rules and regulations, having made proper application and deposit for service with Nashville Gas Company.

1. Consumer is responsible for damage to any gas meter or equipment belonging to the Company placed on the premises occupied by the consumer and will immediately reimburse the Company for all costs of repairing or replacing same. In accordance with Item (1), Section 1220-4-5-. 18, Reasons for Denial of Service of the Tennessee Regulatory Authority's Rules and Regulations, a consumer may be refused service if consumer has damaged the Company's equipment or tampered with the lock on a meter. The Company will charge \$45.00 for a broken meter lock.
2. Consumer will use gas supplied through Company's meter only. Use of other metering devices or bypassing equipment and tampering or adjustments on company-owned metering facilities by consumer are prohibited. The Company will not permit secondary meter billing.
3. In case the meter has failed to register the quantity of gas consumed, in whole or in part, the consumer will pay such reasonable sum as is ascertained to be due for the period involved.
4. The Company's authorized agents shall have access to consumer's premises at all reasonable times for the purpose of checking, reading, servicing, and disconnecting the meter; shutting off gas; and for such other purposes as the Company may deem advisable to protect its interests.
5. The Company shall be under no duty to inspect, repair, or maintain the service of other pipes, connections, equipment, or appliances located beyond the meter outlet on the premises of the consumer.
6. The consumer shall be liable and shall pay for all gas passing through the meter until it is turned off. When termination of service is requested, consumer must ensure that the Company receives either written or verbal notice at least two days prior to the desired date of termination. Access to the meter must be provided.
7. The consumer is entitled to the usual discount allowed by the Company if bills are paid within the first twelve days following the date bills are rendered. All gas bills are due when rendered and they will be considered as rendered when mailed to the address specified by the consumer. A residential, head of household consumer dependent on social security or other retirement check may request a net to gross

discount waiver. Qualified consumers will be granted a net to gross discount waiver and the account will be monitored for continuing compliance.

8. The Company shall have the right to shut off gas from any consumer who may be in arrears for a longer period than twenty days in paying for gas furnished hereunder or under any other prior or subsequent agreement, or for gas used by consumer at consumer's present or any prior or subsequent address, it being understood hereby that said twenty day period commences to run from date the bill is rendered as above defined. The Company will not shut off gas for non-payment without first mailing a notice to the consumer giving him seven days to pay for the bill in arrears.
9. The Company is authorized to require the consumer to make a deposit, or increase any existing deposit, in such amount as the Company deems proper for its protection before restoring gas service. The deposit amount will not exceed two consecutive billing periods or ninety (90) days, whichever is less.
10. If a consumer is found using gas service without having made proper application and deposit, a notice to the consumer will be delivered to the premises and the consumer will be allowed four days in which to make proper application before the service is discontinued.
11. All consumer deposits will accrue simple interest on the principal at the rate of six (6) percent per annum.
12. The Company will charge \$50.00 for turning on a meter for an existing consumer or member of the same family or household at same address. This charge applies only to those consumers who have previously elected to have the meter turned off without discontinuing service or whose account has been closed because of non-payment of a bill.
13. In the event gas is shut off because of consumer's failure to pay, a charge will be made for each restoration. The Company will charge \$50.00 plus payment of past due gas bills for turning on meters shut off for non-payment of bill. The Company will not be liable for damages for shutting off gas or for delay in restoring service. An additional deposit may also be required.
14. At the Company's option, special discounts may be offered to the approved reconnect fee to encourage customers to have their service reinstated during non-peak turn-on periods. Such special discounts will be made upon a 1 day notice to the Authority and will be available on a nondiscriminatory basis within the classifications of Sections 12 and 13 above. Notification will include the time period during which the promotion will be conducted as well as the terms and conditions of the promotion.
- 14.15. The consumer agrees to notify Company in advance of any planned change in physical premise or environment around meter or service to determine impact on safety cases, meter reading, and meter maintenance.

- ~~45-16.~~ In the event the Company is unable, wholly or in part, by reason of force majeure to carry out its obligations to provide service, the obligations of the Company so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch. The term "force majeure" as employed above shall mean acts of God; extreme weather conditions; strikes, lockouts, or other industrial disturbances; acts of the public enemy; war; blockades; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; arrests and restraints of governments and people; civil disturbances; explosions; breakage of or accidents to machinery, lines of pipe, or the Company's peak shaving plants; freezing of wells or lines of reduction in gas pressure by its suppliers; inability to obtain rights-of-way, permits, materials, equipment, or supplies for use in the Company's peak shaving plants; and any other causes whether of the kind herein enumerated or otherwise, not within control of the Company, and which by the exercise of due diligence the Company is unable to prevent or overcome. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the Company, and the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the Company.
- ~~46-17.~~ When the Company in its discretion determines that it is necessary to curtail service to maintain the integrity of its distribution system or to provide for its or the public's safety, the Company shall have the right to curtail delivery of gas to any consumer.
- ~~47-18.~~ In the event of a failure or interruption of service, the Company shall use all reasonable diligence to remove the cause or causes thereof, but the Company shall not be liable for any loss or damage resulting from such failure or interruption due to accidents, force majeure, extreme weather conditions, or causes beyond its control.



Nashville Gas Company Service Regulations

Section 6 - Rules and Regulations Governing Supply & Consumption of Gas

The consumer agrees to the following rules and regulations, having made proper application and deposit for service with Nashville Gas Company.

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2. Consumer will use gas supplied through Company's meter only. Use of other metering devices or bypassing equipment and tampering or adjustments on company-owned metering facilities by consumer are prohibited. The Company will not permit secondary meter billing.
3. In case the meter has failed to register the quantity of gas consumed, in whole or in part, the consumer will pay such reasonable sum as is ascertained to be due for the period involved.
4. The Company's authorized agents shall have access to consumer's premises at all reasonable times for the purpose of checking, reading, servicing, and disconnecting the meter; shutting off gas; and for such other purposes as the Company may deem advisable to protect its interests.
5. The Company shall be under no duty to inspect, repair, or maintain the service of other pipes, connections, equipment, or appliances located beyond the meter outlet on the premises of the consumer.
6. The consumer shall be liable and shall pay for all gas passing through the meter until it is turned off. When termination of service is requested, consumer must ensure that the Company receives either written or verbal notice at least two days prior to the desired date of termination. Access to the meter must be provided.
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- discount waiver. Qualified consumers will be granted a net to gross discount waiver and the account will be monitored for continuing compliance.
8. The Company shall have the right to shut off gas from any consumer who may be in arrears for a longer period than twenty days in paying for gas furnished hereunder or under any other prior or subsequent agreement, or for gas used by consumer at consumer's present or any prior or subsequent address, it being understood hereby that said twenty day period commences to run from date the bill is rendered as above defined. The Company will not shut off gas for non-payment without first mailing a notice to the consumer giving him seven days to pay for the bill in arrears.
 9. The Company is authorized to require the consumer to make a deposit, or increase any existing deposit, in such amount as the Company deems proper for its protection before restoring gas service. The deposit amount will not exceed two consecutive billing periods or ninety (90) days, whichever is less.
 10. If a consumer is found using gas service without having made proper application and deposit, a notice to the consumer will be delivered to the premises and the consumer will be allowed four days in which to make proper application before the service is discontinued.
 11. All consumer deposits will accrue simple interest on the principal at the rate of six (6) percent per annum.
 12. The Company will charge \$50.00 for turning on a meter for an existing consumer or member of the same family or household at same address. This charge applies only to those consumers who have previously elected to have the meter turned off without discontinuing service or whose account has been closed because of non-payment of a bill.
 13. In the event gas is shut off because of consumer's failure to pay, a charge will be made for each restoration. The Company will charge \$50.00 plus payment of past due gas bills for turning on meters shut off for non-payment of bill. The Company will not be liable for damages for shutting off gas or for delay in restoring service. An additional deposit may also be required.
 14. At the Company's option, special discounts may be offered to the approved reconnect fee to encourage customers to have their service reinstated during non-peak turn-on periods. Such special discounts will be made upon a 1 day notice to the Authority and will be available on a nondiscriminatory basis within the classifications of Sections 12 and 13 above. Notification will include the time period during which the promotion will be conducted as well as the terms and conditions of the promotion.
 15. The consumer agrees to notify Company in advance of any planned change in physical premise or environment around meter or service to determine impact on safety cases, meter reading, and meter maintenance.

16. In the event the Company is unable, wholly or in part, by reason of force majeure to carry out its obligations to provide service, the obligations of the Company so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch. The term "force majeure" as employed above shall mean acts of God; extreme weather conditions; strikes, lockouts, or other industrial disturbances; acts of the public enemy; war; blockades; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; arrests and restraints of governments and people; civil disturbances; explosions; breakage of or accidents to machinery, lines of pipe, or the Company's peak shaving plants; freezing of wells or lines of reduction in gas pressure by its suppliers; inability to obtain rights-of-way, permits, materials, equipment, or supplies for use in the Company's peak shaving plants; and any other causes whether of the kind herein enumerated or otherwise, not within control of the Company, and which by the exercise of due diligence the Company is unable to prevent or overcome. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the Company, and the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the Company.
17. When the Company in its discretion determines that it is necessary to curtail service to maintain the integrity of its distribution system or to provide for its or the public's safety, the Company shall have the right to curtail delivery of gas to any consumer.
18. In the event of a failure or interruption of service, the Company shall use all reasonable diligence to remove the cause or causes thereof, but the Company shall not be liable for any loss or damage resulting from such failure or interruption due to accidents, force majeure, extreme weather conditions, or causes beyond its control.

DRAFT

Non-active accounts off since June 1, 2002
(HO & YR) (with A/R balance <= \$1.00)
Approximate count 1,335

Letter #1 TN

Current Resident
Address line 1
Address line 2

Date:

Account Number:

Subject: Activation of Gas Service

Dear Current Resident:

Our records indicate the gas service at this address is not active. We know that it's human nature to wait until the first cold spell to request activation of your gas service. However, when the number of calls to us increases rapidly, a backlog quickly develops and delays for the turn-on of your gas service may reach a week or more.

In order to avoid the backlog, please call to schedule the turn-on of your gas service now so that you will be ready when cold weather arrives. If you have an established account at this address, we will waive one-half of the normal reconnect charge as an incentive to call now and schedule your service reconnection to occur before September 27th. If you are establishing a new account with us, a reconnect charge does not apply. We look forward to serving you.

When our service technician arrives to turn on your meter, he will verify that your gas appliances are operating properly. However, any repair work required on central heating systems must be referred to a qualified heating contractor in your area.

Please call us at 1-615-734-0665 to activate your gas service. Call today and avoid the annual rush. Cold weather is on the way!

Sincerely,

G. Wayne Marsh
Vice President-Customer Service

DRAFT

Summer Offs (b-lim) – with A/R balance > \$1.00
Non-active accounts off since April 1, 2002
(HO & YR) (with A/R balance > \$1.00)
Approximate count 1,201

Letter # 2 TN

Customer Name
Address line 1
Address line 2

Date:

Account Number:

Balance Due: _____

Subject: Reconnection of Gas Service

Dear (Customer Name):

Our records indicate your gas service is off. Even though the weather is not yet cold, we want to encourage you to call us now to bring your account balance up to date and to schedule your meter turn on.

To reconnect your gas service you will be required to pay the total balance due as shown above, plus a reconnect charge and security deposit. If you call now to schedule your service reconnection before September 27th, we will waive one-half of the service reconnect charge.

When our service technician arrives to turn on your meter, he will verify that your gas appliances are operating properly. However, any repair work required on central heating systems must be referred to a qualified heating contractor in your area.

Please call us at 1-615-734-0665 to pay off any outstanding balance and to schedule the reconnection of your gas service. Remember, if you call now to schedule your service reconnection before September 27th we will waive one-half of the reconnect charge. Call today and avoid the annual rush. Cold weather is on the way!

Sincerely,

G. Wayne Marsh
Vice President-Customer Service

DRAFT

Summer Offs (b-lim) – without A/R balance
Approximate count 1,004

Letter # 3 TN

Customer Name
Address line 1
Address line 2

Date:

Account Number:

Subject: Reconnection of Gas Service

Dear (Customer Name):

Our records indicate your gas service is off. We know that it's human nature to wait until the first cold spell to request reconnection. However, when the number of service reconnection calls increases rapidly, a backlog of requests quickly develops and delays for reconnection may reach a week or more.

In order to avoid the backlog, please call to schedule your reconnect order now, to be ready when cold weather arrives. As an added incentive, if you call now and schedule your service reconnection to occur before September 27th we will waive one-half of the normal reconnect charge.

When our service technician arrives to turn on your meter, he will verify that your gas appliances are operating properly. However, any repair work required on central heating systems must be referred to a qualified heating contractor in your area.

Please call us at 1-615-734-0665 to have your service reconnected. Remember, if you call now to schedule your service reconnection before September 27th we will waive one-half of the reconnect charge. Please call today and avoid the annual rush. Cold weather is on the way!

Sincerely,

G. Wayne Marsh
Vice President-Customer Service